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No. 98-2004

IN THE
Supreme Court of the United States

RINGLING BROS.—BARNUM & BAILEY COMBINED SHOWS, INC.,
Petitioner,

v.

UTAH DIVISION OF TRAVEL DEVELOPMENT,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit

SUPPLEMENTAL BRIEF FOR RESPONDENT

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Pursuant to this Court's Rule 15.8, Respondent, Utah Division of Travel Development, submits this supplemental brief calling attention to the recent decision in *Nabisco, Inc. v. PF Brands, Inc.*, No. 99-7149(L), 1999 U.S. App. LEXIS 20786 (2d Cir. Aug. 31, 1999).

The decision of the Second Circuit in *Nabisco* does not conflict with the decision of the Fourth Circuit in this case. The Fourth Circuit held that Utah's junior mark, despite having been in the marketplace for 35 years,[1] was shown by Ringling's own survey not to dilute Ring-

[1] Pet. App. 43a (district court findings Nos. 28-30 that Utah has used its mark substantially and consistently since 1962).

ling's mark. Pet. App. 29a ("We affirm as not clearly erroneous the district court's assessment that the consumer survey evidence does not support a finding of dilution under the federal act."). Any comment of the Fourth Circuit that went to a case, such as *Nabisco*, in which the junior user sought a declaration "before going to market," [2] was therefore only *dicta*, and does not provide a basis for conflict between *Nabisco* and this case.

The approach to the new Federal Trademark Dilution Act recommended in *Nabisco* is for courts "to feel their way from case to case, setting forth in each those factors that seem to bear on the resolution of that case, and, only eventually to arrive at a consensus of relevant factors on the basis of this accumulated experience." *Id.* at *51. Here, the determinative factors were those presented by Ringling's survey. *See* Pet. App. 27a-30a (Fourth Circuit opinion); Pet. App. 55a-59a (district court opinion); Pet. 10-11; Resp. Br. 5-7. Those factors demonstrate that Utah's mark does not dilute Ringling's mark, whether under the standard of the Fourth Circuit or the approach of *Nabisco*. No other conclusion is reasonably possible from the fact that, after 35 years of concurrent use of the two marks, "[n]ot one consumer indicated he associated the phrase, 'The Greatest Show on Earth' with the phrase, 'The Greatest Snow on Earth'." Pet. App. 28a. The Fourth Circuit decision, therefore, is consistent with the recommendation of *Nabisco* that the Court rely on "those factors that seem to bear on the resolution of the case." *Nabisco*, 1999 U.S. App. LEXIS 20786 at *51.

Further, Petitioner has registered no objection to the Fourth Circuit's bypassing of the *Mead* factors, which *Nabisco* also criticized, and rejected as a fixed test.[3] In

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[2] *Nabisco*, 1999 U.S. App. LEXIS 20786, at *42.

[3] *Nabisco*, 1999 U.S. App. LEXIS 20786, at *52.

any event, the district court's opinion demonstrates that the *Mead* factors support the Fourth Circuit's decision. *See* Pet. App. 59a-67a.[4]

In view of the consistency of the Fourth Circuit's decision with the recommendation of *Nabisco* and the clear propriety of the Fourth Circuit's holding, the differences in the *dicta* of the two cases should have no bearing on the outcome of the Petition. Nevertheless addressing the *Nabisco dicta* raised by Petitioner, it is first observed that the *Nabisco* court acknowledged it was "not at all sure" what "the Ringling opinion intends." *Nabisco*, 1999 U.S. App. LEXIS 20786, at *42.

Further, and contrary to the uncertain suggestion of *Nabisco* and Petitioner, the Fourth Circuit's *dicta* did not reject "contextual factors" as a means of proving dilution and did not limit the methods of proof available to an FTDA plaintiff to "actual loss of revenues" or the "skillfully constructed consumer survey." Pet. Supp. Br. at (1). The following passage of the Fourth Circuit opinion makes that clear:

> [W]ithout attempting to chart the exact shape and course of advocacy that might prove that occurrence [of dilution], we think three general means are available. Most obviously, but most rarely, there might be proof of an actual loss of revenues, and proof of replicating use as cause by disproving other possible causes. Most obviously relevant, and readily available, is the skillfully constructed consumer survey

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[4] Since Petitioner has not objected to the Fourth Circuit's bypassing of the *Mead* factors, the first of which is similarity of the marks, and has not challenged the Fourth Circuit's inclusion of "sufficient similarity" of the marks as a consideration (Pet. App. 19a), Petitioner cannot not now advance argument on "similarity of the marks" as it attempts to do in note 1 of its Supplemental Brief.

> designed not just to demonstrate "mental association" of the marks in isolation, but further consumer impressions from which actual harm and cause might rationally be inferred. . . . Finally, relevant contextual factors such as the extent of the junior mark's exposure, the similarity of the marks, the firmness of the senior mark's hold, are of obvious relevance as indirect evidence that might complement other proof.

Pet. App. 33a. The Fourth Circuit, therefore, began by indicating that the means of proof it was about to suggest for the assistance of potential plaintiffs were not exclusive or limiting. It then suggested three means of proof, specifically allowing as one of them, "relevant contextual factors."

Contrary to Petitioner's criticism of the Fourth Circuit's *dicta*, there is no juridically acceptable reason for rejecting Congress' limitation of injunctive relief in the nebulous field of dilution to cases in which the plaintiff has proved that the junior user's mark "causes dilution." Likewise, there is no acceptable reason for rejecting Congress' limitation of damages to plaintiffs who have proved dilution and willfulness. Significantly for plaintiffs, the Fourth Circuit's opinion does recognize Congress' provision for damages to a plaintiff who demonstrates that a junior user's mark "causes dilution" and "willfully intended" to do so. *See* 15 U.S.C. § 1125(c).

The Fourth Circuit's holding is unassailable. Its *dicta* can, at the least, be included as a significant contribution to the "accumulated experience" *Nabisco* proposes as the basis "eventually to arrive at a consensus of relevant factors." *Nabisco*, 1999 U.S. App. LEXIS 29786, at *51. The most salient and inescapable implication of *Nabisco* for purposes of the Petition is that it is premature for this Court to address a comprehensive standard under the new Act before that "accumulated experience" exists.

CONCLUSION

Nabisco provides no basis for review by this Court.[5]

Respectfully submitted,

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[5] Petitioner is incorrect in its assertion in note 2 of its Supplemental Brief that there is some question whether Respondent is an arm of the State for immunity purposes. The district court entered as an undisputed finding of fact the following: "20. Utah Division of Travel Development is an agency of the State of Utah . . . ." Pet. App. 42a. Respondent urges denial of the Petition on the additional ground that Respondent is immune from suit under *College Savings Bank v. Florida Prepaid Postsecondary Education Expense Bd.*, 67 U.S.L.W. 4590 (U.S. June 23, 1999).